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BEFORE THE ARIZONA CORPORATION COMMISSION

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COMMISSIONERS

BOB STUMP - Chairman
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2014 APR 14 P 2:42

AZ CORP COMMISSION
DOCKET CONTROL

Arizona Corporation Commission

DOCKETED

APR 14 2014

DOCKETED BY

In the matter of:

DOCKET NO. S-20896A-13-0378

BRIAN C. HAGEMAN, an unmarried man,
DELUGE, INC, a dissolved Delaware corporation,
HYDROTHERM POWER CORPORATION, a
dissolved Delaware corporation,

Respondents.

ORIGINAL

FOURTH
PROCEDURAL ORDER
(Continues Hearing)

BY THE COMMISSION:

On November 5, 2013, the Securities Division ("Division") of the Arizona Corporation Commission ("Commission") filed a Notice of Opportunity for Hearing ("Notice") against Brian C. Hageman, Deluge, Inc. ("Deluge") and Hydrotherm Power Corporation ("Hydrotherm") (collectively "Respondents"), in which the Division alleged multiple violations of the Arizona Securities Act ("Act") in connection with the offer and sale of securities in the form of stock and/or investment contracts.¹

Respondent Hageman was duly served with a copy of the Notice.

On November 12, 2013, Respondent Hageman filed a request for hearing in response to the Notice in this matter pursuant to A.R.S §44-1972 and A.A.C. R14-4-306.

On November 15, 2013, by Procedural Order, a pre-hearing conference was scheduled on December 10, 2013.

On December 10, 2013, at the pre-hearing conference, the Division appeared through counsel and Respondent appeared on his own behalf. Counsel for the Division requested that a hearing be scheduled for approximately one week. Respondent had no objections to this request.

¹ Both Deluge and Hydrotherm are dissolved Delaware corporations.

1 On December 11, 2013, by Procedural Order, a hearing was scheduled to commence on April
2 14, 2014.

3 On March 20, 2014, Respondent Hageman filed a Request for Continuance ("Request")
4 which stated that the "Respondents request a continuance in order to secure legal counsel."

5 On March 24, 2014, the Division filed a Response to Request for Continuance objecting to
6 Respondent's Request.

7 On April 3, 2014, by Procedural Order, the hearing was vacated and a procedural conference
8 scheduled on April 14, 2014, in place of the hearing.

9 On April 14, 2014, at the procedural conference, the Division appeared through counsel and
10 Respondent Hageman also appeared. Mr. Hageman reiterated that he is seeking counsel and that he
11 would be speaking with the Division's counsel about a resolution of the issues raised by the Notice.
12 A date for rescheduling the proceeding was also discussed.

13 Accordingly, the hearing should be continued.

14 IT IS THEREFORE ORDERED that a hearing shall be continued to **July 14, 2014, at 10:00**
15 **a.m.**, at the Commission's offices, 1200 West Washington Street, Hearing Room No. 1, Phoenix,
16 Arizona.

17 IT IS FURTHER ORDERED that the parties shall reserve **July 15, 16, 17 and 18, 2014 for**
18 **additional days of hearing**, if necessary.

19 IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113-Unauthorized
20 Communications) is in effect and shall remain in effect until the Commission's Decision in this
21 matter is final and non-appealable.


22 IT IS FURTHER ORDERED that all parties must comply with Rules 31 and 38 of the Rules
23 of the Arizona Supreme Court and A.R.S. § 40-243 with respect to the practice of law and admission
24 *pro hac vice*.

25 IT IS FURTHER ORDERED that withdrawal or representation must be made in compliance
26 with A.A.C. R14-3-104(E) and Rule 1.16 of the Rules of Professional Conduct (under Rule 42 of the
27 Rules of the Arizona Supreme Court). Representation before the Commission includes appearances
28 at all hearings and procedural conferences, as well as all Open Meetings for which the matter is

1 scheduled for discussion, unless counsel has previously been granted permission to withdraw by the
2 Administrative Law Judge or the Commission.

3 IT IS FURTHER ORDERED that the Presiding Administrative Law Judge may rescind, alter,
4 amend, or waive any portion of this Procedural Order either by subsequent Procedural Order or by
5 ruling at hearing.

6 DATED this 14th day of April, 2014.

7
8 
9 MARC E. STERN
ADMINISTRATIVE LAW JUDGE

10
11 Copies of the foregoing mailed/delivered
this 14th day of April, 2014 to:

12 Brian Hageman
13 18832 N. 95th Street
Scottsdale, AZ 85255

14 Matt Neubert, Director
15 Securities Division
ARIZONA CORPORATION COMMISSION
16 1300 West Washington Street
Phoenix, AZ 85007

17 COASH & COASH, INC.
18 Court Reporting, Video and
19 Videoconferencing
1802 North 7th Street
Phoenix, AZ 85006

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